

Table 1

Oil Shock Analysis, % GDP: US Model VI: Globalization Index 1

Dependent Variable	Independent Variables						Statistics		
	INTP	GLOB1	GLOB1(-1)	GLOB1(-2)	DUM3	TREND	r2	F-Stat	Akaike
<u>C1Y (shock year as % of GDP)</u>									
(1)	0.23 (10.98)**	0.16 (5.30)**	0.14 (6.63)**				0.940	19.52**	12.39
(2)	0.30 (9.82)**	0.07 (1.74)	0.12 (5.35)**	0.07 (2.43)**			0.910	6.05*	12.49
(3)	-0.11 (-0.80)	0.01 (0.09)	0.08 (2.92)**		0.29 (3.31)**		0.954	16.69**	12.75
(4)	-0.13 (-0.05)		0.09 (3.38)**	0.02 (0.47)	0.29 (1.96)*		0.881	4.44	11.25
(5)	-0.11 (-0.77)		0.08 (3.87)**		0.29 (3.96)**		0.954	26.03**	13.75
(6)	-0.13 (-2.51)**		0.05 (3.78)**		0.20 (4.69)**	0.02 (3.13)**	0.980	40.19**	17.01
<u>C2Y (shock, and subsequent year cumulative as % of GDP)</u>									
(7)	0.74 (11.45)**	0.43 (4.42)**	0.30 (4.79)**				0.913	13.04**	1.21
(8)	0.97 (14.85)	0.11 (1.73)	0.24 (4.94)**	0.19 (3.57)**			0.910	6.10*	3.36
(9)	-0.22 (-1.06)	-0.02 (-0.51)	0.14 (4.05)**		0.80 (5.84)**		0.960	19.40**	4.17
(10)	0.02 (0.07)		0.17 (6.07)**	0.06 (1.18)	0.62 (3.35)**		0.933	8.34**	2.95
(11)	-0.19 (-1.06)		0.15 (5.40)**		0.76 (7.41)**		0.958	28.18	4.82
(12)	-0.13 (-1.15)		0.09 (2.59)**		0.49 (3.86)**	0.06 (2.51)**	0.976	32.69**	6.70

Table 1 (contd)

Oil Shock Analysis, % GDP: US Model VI: Globalization Index 1

Dependent Variable	Independent Variables					Statistics			
	INTP	GLOB1	GLOB1(-1)	GLOB1(-2)	DUM3	TREND	r2	F-Stat	Akaike
<u>C3Y (shock, and subsequent two years cumulative as % of GDP)</u>									
(13)	1.16	0.69	0.45				0.869	8.31**	-5.42
	(8.48)**	(3.46)**	(3.52)**						
(14)	1.58	0.17	0.31	0.399			0.860	14.35**	-6.27
	(9.86)**	(1.08)	(2.27)*	(2.92)**					
(15)	-0.35	-0.04	0.19		1.24		0.968	23.09**	0.56
	(-1.28)	(-0.84)	(4.45)**		(7.18)**				
(16)	-0.03		0.23	0.07	1.02		0.945	10.30**	0.36
	(-0.07)		(5.10)**	(0.95)	(3.40)**				
(17)	-0.30		0.21		1.20		0.962	31.63**	0.76
	(-1.10)		(5.26)**		(7.40)**				
(18)	-0.13		0.09		0.60	0.12			
	(-0.66)		(1.39)		(2.57)**	(2.73)**	0.974	29.68**	1.60

Notes: Estimation Procedure: Cochrane-Orcutt AR(2) Iterative Regression Method (unless specified as AR(1)) to correct for serial correlation. Cf. Pesaran & Pesaran, Working With Microfit 4.0: Interactive Economic Analysis (Cambridge England: Camfit Data), 1997); INTP = Intercept term;. GLOB1 = first globalization factor score; GLOB1(-1) GLOB1(-2) = score lagged 1, 2 years; DUM3 = structural shift, 1985-89 = 0, 1990-97 =1; TREND = trend term (1985=1, 1986 =2 etc.); r2 coefficient of determination; () = t-statistic; F-Stat = F-Statistic; Akaine = Akaine Information Criterion; * = significant at the 90% level; ** = significant at the 95% level.

Table 2

Oil Shock Analysis, % GDP: US Model VI: Factor Grouping 1

Dependent Variable	Independent Variables						Statistics		
	INTP	GRP1	GRP1(-1)	GRP1(-2)	DUM3	TREND	r2	F-Stat	Akaike
<u>C1Y (shock year \$ millions US, 1996)</u>									
(1)	0.16 (7.85)**	0.14 (6.41)**	0.11 (7.97)**				0.963	32.43**	14.80
(2)	0.23 (4.73)**	0.07 (1.35)	0.10 (5.16)**	0.04 (1.35)			0.913	6.30*	12.66
(3)	-0.12 (-0.97)	0.01 (0.14)	0.06 (2.63)**		0.28 (2.61)**		0.950	15.31**	1.56
(4)	-0.09 (-0.52)		0.08 (4.84)**	0.03 (1.12)	0.24 (2.38)**		0.903	5.64*	12.21
(5)	-0.13 (-1.13)		0.06 (4.34)**		0.29 (4.90)**		0.950	23.75**	13.31
(6)	-0.14 (-3.07)**		0.04 (3.93)**		0.21 (5.04)**	0.02 (3.21)**	0.982	42.44**	17.28
<u>C2Y (shock, and subsequent year cumulative as % of GDP)</u>									
(7)	0.57 (7.71)**	0.35 (4.68)**	0.26 (5.44)**				0.922	14.69**	1.76
(8)	0.84 (9.09)**	0.10 (1.38)	0.20 (4.73)**	0.15 (2.63)**					
(9)	-0.26 (-0.98)	-0.02 (-0.38)	0.11 (2.75)**		0.81** (4.22)		0.948	14.83**	2.89
(10)	0.05 (0.02)		0.15 (6.26)**	0.08 (1.84)	0.55 (3.33)**		0.938	9.13**	5.03
(11)	-0.22 (-0.93)		0.16 (2.73)**		0.76 (4.92)**		0.915	48.33**	2.11
(12)	-0.16 (-1.27)		0.07 (2.31)**		0.49 (3.65)**	0.06 (2.51)**	0.973	28.57**	6.05

Table 2 (contd)

Oil Shock Analysis, % GDP: US Model VI: Factor Grouping 1

Dependent Variable	Independent Variables						Statistics		
	INTP	GRP1	GRP1(-1)	GRP1(-2)	DUM3	TREND	r2	F-Stat	Akaike
<u>C3Y (shock, and subsequent two years cumulative as % of GDP)</u>									
(13)	0.93 (5.30)**	0.54 (3.53)**	0.40 (4.25)**				0.867	8.15**	-5.01
(14)	1.38 (7.48)	0.14 (1.24)	0.29 (3.40)**	0.24 (2.45)**			0.875	4.23	-3.29
(15)	-0.39 (-1.12)	-0.04 (-0.63)	0.15 (3.23)**		1.26 (5.30)**		0.956	17.43**	-0.96
(16)	-0.01 (-0.01)		0.20 (5.48)**	0.09 (1.63)	0.94 (3.75)**		0.951	11.71**	0.91
(17)	-0.32 (-1.03)		0.17 (4.49)**		1.20 (6.43)		0.951	24.39**	-0.48
(18)	-0.14 (-0.73)		0.07 (1.26)		0.59 (2.48)**	0.12 (2.82)**	0.972	27.75	1.28

Notes: Estimation Procedure: Cochrane-Orcutt AR(2) Iterative Regression Method (unless specified as AR(1)) to correct for serial correlation. Cf. Pesaran & Pesaran, Working With Microfit 4.0: Interactive Economic Analysis (Cambridge England: Camfit Data), 1997); INTP = Intercept term; GLOB1 = first globalization factor score; GLOB1(-1) GLOB1(-2) = score lagged 1, 2 years; DUM3 = structural shift, 1985-89 = 0, 1990-97 = 1; TREND = trend term (1985=1, 1986 =2 etc.); r2 coefficient of determination; () = t-statistic; F-Stat = F-Statistic; Akaine = Akaine Information Criterion; * = significant at the 90% level; ** = significant at the 95% level.

Table 3

Oil Shock Analysis, % GDP: US Model VI: Globalization Index 2

Dependent Variable	Independent Variables					Statistics			
	INTP	GLOB2	GLOB2(-1)	GLOB2(-2)	DUM4	TREND	r2	F-Stat	Akaike
C1Y (shock year as % of GDP)									
(1)	0.21 (2.36)**	0.12 (1.43)	0.16 (3.76)**				0.871	8.45**	8.58
(2)	0.25 (1.78)	0.06 (1.07)	0.13 (1.44)	0.08 (1.48)			0.863	3.78	10.63
(3)	0.28 (1.44)		0.15 (0.80)	0.10 (2.35)**			0.789	3.74	9.67
(4)	0.20 (0.83)			0.05 (1.98)	0.21 (3.35)		0.954	41.67	14.75
C2Y (shock, and subsequent year cumulative as % of GDP)									
(5)	0.69 (2.94)**	0.30 (1.19)	0.40 (3.22)**				0.849	7.01**	-1.52
(6)	0.92 (21.87)**	0.02 (0.65)	0.26 (7.66)**	0.20 (6.46)**			0.942	9.68**	5.28
(7)	0.93 (24.75)**		0.26 (8.04)**	0.21 (7.10)**			0.933	13.95**	5.67
(8)	1.53* (2.21)		0.21 (1.24)		-0.13 (-0.35)		0.900	11.29**	0.56
[(AR(1) Estimate]									
(9)	0.65 (0.88)		0.17 (1.99)*	0.46 (2.16)*			0.914	21.27**	2.30

Table 3 (contd)

Oil Shock Analysis, % GDP: US Model VI: Globalization Index 2

Dependent Variable	Independent Variables					Statistics			
	INTP	GLOB2	GLOB2(-1)	GLOB2(-2)	DUM4	TREND	r2	F-Stat	Akaike
<u>C3Y (shock, and subsequent two years cumulative as % of GDP)</u>									
(10)	1.07	0.54	0.59				0.819	5.64**	-7.05
	(2.46)**	(1.13)	(2.57)**						
(11)	1.49	0.01	0.34	0.32			0.966	17.21**	2.57
	(26.17)**	(0.30)	(8.32)**	(8.24)**					
(12)	1.50		0.35	0.33			0.965	27.81**	3.44
	(31.23)**		(9.51)**	(9.53)**					
(13)	2.75		0.33		-0.34		0.882	9.31**	-4.92
	(2.10)*		(1.14)		(-0.53)				
(14)	1.93			0.26	0.56		0.897	17.44**	-3.22
	(0.65)			(1.82)	(1.60)				

Notes: Estimation Procedure: Cochrane-Orcutt AR(2) Iterative Regression Method (unless specified as AR(1)) to correct for serial correlation. Cf. Pesaran & Pesaran, Working With Microfit 4.0: Interactive Economic Analysis (Cambridge England: Camfit Data), 1997): INTP = Intercept term;. GLOB1 = first globalization factor score; GLOB1(-1) GLOB1(-2) = score lagged 1, 2 years; DUM3 = structural shift, 1985-89 = 0, 1990-97 = 1; TREND = trend term (1985=1, 1986 =2 etc.); r2 coefficient of determination; () = t-statistic; F-Stat = F-Statistic; Akaine = Akaine Information Criterion; * = significant at the 90% level; ** = significant at the 95% level.

Table 4

Oil Shock Analysis, % GDP: US Model VI: Factor Grouping 2

Dependent Variable	Independent Variables						Statistics		
	INTP	GRP2	GRP2(-1)	GRP2(-2)	DUM2	TREND	r2	F-Stat	Akaike
<u>C1Y (shock year \$ millions US, 1996)</u>									
(1)	0.04 (0.27)	0.16 (2.01)*	0.15 (4.34)**				0.881	9.31**	9.00
(2)	0.80 (0.66)	-0.07 (-0.67)	0.07 (1.37)	0.03 (1.25)			0.921	7.02*	13.11
(3)	-0.23 (-1.33)		0.45 (2.63)	0.12 (2.61)			0.933	14.02**	14.86
(4)	-0.73 (-0.77)		0.52 (3.08)**	0.01 0.10	0.23 (0.51)		0.944	10.09**	14.63
(5)	-0.02 (-0.17)		0.13 (3.54)**		0.19 (2.56)**		0.898	11.04**	9.76
(6)	-0.08 (-0.72)		0.20 (2.06)*		0.05 (1.06)	0.02 (3.34)**	0.969	18.85	17.32
<u>C2Y (shock, and subsequent year cumulative as % of GDP)</u>									
(7)	-0.18 (0.53)	0.47 (2.07)*	0.32 (3.36)**				0.864	7.92**	-1.00
(8)	-1.55 (-1.17)	-0.18 (-0.63)	1.81 (1.49)	0.43 (1.28)			0.910	6.07*	3.33
(9)	-0.17 (-0.67)	0.16 (1.46)			0.71 (3.56)**		0.803	6.12**	-4.38
(10)	-1.10 (-1.20)		1.41 (1.75)	0.33 (1.02)			0.897	8.75**	3.74
(11)	1.79 (3.21)**		0.09 (1.24)		-0.22 (-0.99)		0.901	11.41**	0.60

Table 4 (contd)

Oil Shock Analysis, % GDP: US Model VI: Factor Grouping 2

Dependent Variable	Independent Variables						Statistics		
	INTP	GRP2	GRP2(-1)	GRP2(-2)	DUM2	TREND	r2	F-Stat	Akaike
C3Y (shock, and subsequent two years cumulative as % of GDP)									
(12)	0.14 (0.23)	0.87 (2.14)*	0.48 (2.64)**				0.853	7.24 **	-6.01
(13)	-3.11 (-1.15)	-0.17 (-0.31)	3.08 (1.26)	0.77 (1.13)			0.890	4.90	-2.71
(14)	-0.65 (-1.23)	1.05 (2.65)**	-0.04 (-0.11)		0.70 (2.14)*		0.893	6.64	-5.44
(15)	-0.13 (-0.27)	0.23 (1.17)			1.06 (2.95)		0.766	4.93	-10.09

Notes: Estimation Procedure: Cochrane-Orcutt AR(2) Iterative Regression Method (unless specified as AR(1)) to correct for serial correlation. Cf. Pesaran & Pesaran, Working With Microfit 4.0: Interactive Economic Analysis (Cambridge England: Camfit Data), 1997); INTP = Intercept term; GLOB1 = first globalization factor score; GLOB1(-1) GLOB1(-2) = score lagged 1, 2 years; DUM3 = structural shift, 1985-89 = 0, 1990-97 = 1; TREND = trend term (1985=1, 1986 =2 etc.); r2 coefficient of determination; () = t-statistic; F-Stat = F-Statistic; Akaine = Akaine Information Criterion; * = significant at the 90% level; ** = significant at the 95% level.

Table 5

Oil Shock Analysis: US Model VI: Globalization Index 3

Dependent Variable	Independent Variables						Statistics		
	INTP	GLOB3	GLOB3(-1)	GLOB3(-2)	DUM3	TREND	r2	F-Stat	Akaike
<u>C1Y (shock year as % of GDP)</u>									
(1)	0.36 (9.27)**	0.05 (1.17)	0.08 1.82	0.09 (2.49)**			0.821	10.70	6.95
(2)	0.52 (7.01)**		0.02 (0.60)	0.02 (0.96)			0.881	7.41	12.25
<u>C2Y (shock, and subsequent year cumulative as % of GDP)</u>									
(3)	1.01 (11.45)**	0.22 (1.94)*	0.29 (2.91)**				0.710	3.06	-4.78
(4)	1.14 (32.24)**	0.10 (3.27)**	0.17 (5.95)**	0.16 (6.06)**			0.966	17.35**	7.78
(5)	0.13 (0.55)	0.08 (1.33)	0.17 (3.06)**		0.57 (3.63)**		0.925	9.97**	1.03
(6)	1.30 (9.19)**		0.09 (1.47)	0.11 (1.95)*			0.865	6.42**	2.51
(7)	0.45 (0.88)		0.10 (1.51)		0.46 (1.77)		0.903	11.69**	0.71
(8)	0.01 (0.07)		0.08 (1.47)		0.35 (2.15)*	0.07 (2.50)**	0.960	19.10**	4.10
<u>C3Y (shock, and subsequent two years cumulative as % of GDP)</u>									
(9)	1.59 (12.35)**	0.38 (2.07)*	0.45 (2.82)**				0.729	3.36	-9.05
(10)	0.20 (0.48)	0.11 (1.13)	0.23 (2.69)**		0.92 (3.68)**		0.915	8.63**	-4.25
(11)	2.00 (8.71)**		0.14 (1.40)	0.20 (2.07)*			0.861	6.21*	-2.79

Notes: See Table 1.

Table 6

Oil Shock Analysis, % GDP: US Model VI: Factor Grouping 3

Dependent Variable	Independent Variables						Statistics		
	INTP	GRP3	GRP3(-1)	GRP3(-2)	DUM3	TREND	r2	F-Stat	Akaike
<u>C1Y (shock year as % of GDP)</u>									
0.24 (7.86)**	0.10 (3.76)**	0.10 (4.88)**					0.862	7.86**	8.26
-0.06 (-0.63)	0.08 (5.26)**	0.04 (1.77)			0.21 (3.34)**		0.964	21.49**	13.97
0.66 (3.10)**		0.04 (1.05)	0.03 (0.99)	-0.10 (-0.70)			9.891	4.95	11.68
-0.01 (-0.15)	0.01 (0.17)				0.05 (5.12)**		0.932	20.54**	11.27
<u>C2Y (shock, and subsequent year cumulative as % of GDP)</u>									
0.80 (11.20)**	0.22 (3.55)**	0.26 (5.31)**					0.868	8.19**	-0.85
1.49 (2.85)		0.14 (1.46)	0.10 (1.24)	-0.17 (-0.50)			0.873	4.12	1.77
0.10 (0.41)	0.15 (4.38)**	0.11 (2.18)*		0.50 (3.20)**			0.955	17.02**	3.55
0.32 (1.35)	-0.01 (-0.15)	0.05 (0.82)			0.11 (2.82)**		0.941	12.76**	2.18

Table 6 (contd)

Oil Shock Analysis, % GDP: US Model VI: Factor Grouping 3

Dependent Variable	Independent Variables						Statistics		
	INTP	GRP3	GRP3(-1)	GRP3(-2)	DUM3	TREND	r2	F-Stat	Akaike
<u>C3Y (shock, and subsequent two years cumulative as % of GDP)</u>									
	1.28 (10.93)**	0.34 (3.26)**	0.41 (5.04)**				0.858	7.52**	-5.84
	0.11 (0.26)	0.20 (3.55)**	0.14 (1.87)*		0.85 (3.25)**		0.941	12.08**	-2.42
	2.14 (2.34)*		0.39 (2.49)**	0.32 (2.89)**	-0.35 (-0.60)		0.883	4.52	-3.04
	0.38 (1.35)	-0.04 (-0.42)	0.07 (0.79)			0.19 (3.93)**	0.960	19.41**	-0.44
	1.08 (2.11)*		0.18 (2.06)*	0.12 (1.68)	-0.13 (-0.47)	0.11 (3.27)**	0.982	18.54**	4.48

Notes: Estimation Procedure: Cochrane-Orcutt AR(2) Iterative Regression Method (unless specified as AR(1)) to correct for serial correlation. Cf. Pesaran & Pesaran, Working With Microfit 4.0: Interactive Economic Analysis (Cambridge England: Camfit Data), 1997); INTP = Intercept term; GLOB1 = first globalization factor score; GLOB1(-1) GLOB1(-2) = score lagged 1, 2 years; DUM3 = structural shift, 1985-89 = 0, 1990-97 = 1; TREND = trend term (1985=1, 1986 =2 etc.); r2 coefficient of determination; () = t-statistic; F-Stat = F-Statistic; Akaine = Akaine Information Criterion; * = significant at the 90% level; ** = significant at the 95% level.